



DEPARTMENT OF MANAGEMENT

**SERVICES**

RICK SCOTT  
Governor

JOHN P. MILES  
Secretary

## **DIVISION OF RETIREMENT INFORMATION RELEASE**

**Release # 2011-150**

**May 31, 2011**

**TO:** All FRS Agency Heads and Retirement Coordinators  
**FROM:** Sarabeth Snuggs  
State Retirement Director  
**SUBJECT: Retirement Contribution Rates for 2011/2012**

The Florida Retirement System (FRS) employer contribution rates for the 2011-2012 plan year are established by section 121.71, Florida Statutes. **The rates in this release reflect the governor's final actions on SB 2100. It is very important that you distribute this information release to the appropriate staff within your agency immediately.**

The uniform contribution rate system is continued. Participating employers make uniform contributions to support both the FRS Pension Plan and the FRS Investment Plan. Employers and employees contribute a percentage of the total payroll for each class or subclass of FRS membership based upon the uniform or "blended" rates, regardless of which retirement plan your employees participate under. Therefore, **you pay the same contribution rates for members under both plans.**

Allocation rates for the FRS Investment Plan member's account have not changed but now include required employee contributions. For example, each Regular Class Investment Plan member will receive 9% that includes the 3% required employee contribution of gross compensation in his/her investment account each month, even though the retirement portion of the total contribution rate is 6.77% (3% required employee contributions and 3.77% required employer contributions).

Information Release 2011-147 was sent on May 27, 2011, about the required 3% employee contributions owed on the compensation of all members, except DROP participants and reemployed retirees who are not eligible for renewed membership, reported with a warrant date on and after July 1, 2011. These required employee contributions will be made on a pre-tax basis; FICA and Medicare taxes are owed on the required employee contributions. The contributions for members in the Teachers' Retirement System and the State and County Officers and Employees' Retirement System remain on a post-tax basis. Employee contributions are due on the same amount of compensation that the employer reports for retirement purposes.

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Retirees who are not eligible for renewed membership have the Retiree Health Insurance Subsidy Program (HIS) and the unfunded actuarial liability (UAL) employer contributions reported and paid on the salaries of these reemployed retirees for the 2011-12 year. Employees participating in the State Community College Optional Retirement Program, the State University System Optional Retirement Program and the Senior Management Service Optional Annuity Program will have the UAL contributions reported and paid on the salaries for the 2011-12 year to the Division of Retirement.

The HIS contribution rate remains at 1.11% and the assessment for administering the FRS Investment Plan and funding the MyFRS Financial Guidance Program remains at 0.03%. The total employer contribution rates are provided in the attached separate charts. The maximum salary you may report for your FRS members for the 2011-2012 plan year is \$363,820 if they were first enrolled before July 1, 1996 or \$245,000 if they were first enrolled on or after July 1, 1996.

**FOR RETIREMENT COORDINATORS:** The last page includes the schedule of due dates for your monthly payroll reports for the next plan year. We will post revised chapters of the *FRS Employer Handbook* outlining changes on the "[Employer](#)" page of our website at [frs.MyFlorida.com](http://frs.MyFlorida.com). If you have questions about contributions, please contact the Contributions Section of the Bureau of Enrollment and Contributions by telephone toll-free at (877) 377-1266 or (850) 488-6011, or by e-mail at: [contributions@dms.MyFlorida.com](mailto:contributions@dms.MyFlorida.com).

We will send a separate information release detailing the impact of other enacted 2011 Legislation.

SS/gg

Attachments

## CONTRIBUTION RATES EFFECTIVE JULY 1, 2011

Employer contribution rates are set by law. Rates below include the appropriate retirement contribution rate, 1.11% HIS contribution rate, 0.03% administrative/educational fee, and any applicable UAL rates<sup>1</sup>.

<b>FRS Membership Plan &amp; Class</b> (Rates below apply to Florida Retirement System members who are in either the FRS Pension Plan or the FRS Investment Plan)	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
HA/PA – Regular	3.00%	4.91%	7.91%
HB/PB – Special Risk	3.00%	14.10%	17.10%
HC/PC – Judges	3.00%	11.69%	14.69%
HE/PE – Legislators	3.00%	9.04%	12.04%
HG/PG – Gov./Lt. Gov. & Cabinet	3.00%	9.04%	12.04%
HH/PH – State Atty./Public Defender	3.00%	9.04%	12.04%
HI/PI – County, City, Sp. Dist. Elect. Officers	3.00%	11.14%	14.14%
HJ/PJ – Special Risk Adm. Support	3.00%	6.04%	9.04%
HM/PM – Senior Management (SMSC)	3.00%	6.27%	9.27%

<b>Renewed Membership Plan &amp; Class<sup>2</sup></b> (Rates below apply to renewed members in either the FRS Pension Plan or the FRS Investment Plan, including renewed members in the EOC & SMSC, as well as renewed EOC members who chose to join SMSC)	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
RA/QA – Regular	3.00%	4.91%	7.91%
RC/QC – Judges	3.00%	11.69%	14.69%
RE/QE – Legislators	3.00%	9.04%	12.04%
RG/QG – Gov./Lt. Gov. & Cabinet	3.00%	9.04%	12.04%
RH/QH – State Atty./ Public Defender	3.00%	9.04%	12.04%
RI/QI – County, City, Sp. Dist. Elect. Officers	3.00%	11.14%	14.14%
RM/QM – Senior Management (SMSC)	3.00%	6.27%	9.27%
RP/QP – <i>SMSC in lieu of EOC:</i>			
Judges	3.00%	6.27%	9.27%
Legislators	3.00%	6.27%	9.27%
Gov./Lt. Gov. & Cabinet	3.00%	6.27%	9.27%
State Atty./Public Defender	3.00%	6.27%	9.27%
RQ/QQ – <i>SMSC in lieu of EOC:</i>			
County, City, Sp. Dist. Elect. Officers	3.00%	6.27%	9.27%

<b>IFAS Supplemental Retirement Plan<sup>3</sup></b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
HK – IFAS Supplemental	0.00%	18.75%	18.75%

<sup>1</sup> See the rate chart on page 4 for a complete breakdown of the UAL contribution rates by membership class.

<sup>2</sup> See chart at the top of page four of this attachment for rates for retirees initially reemployed on or after July 1, 2011, who are not eligible for retirement coverage.

<sup>3</sup> IFAS is a closed, grandfathered retirement system and the rates for FY 2011/12 did not change; the 1.11% HIS rate and the 0.03% administrative/educational fee do not apply to members in IFAS.

## CONTRIBUTION RATES EFFECTIVE JULY 1, 2011

Employer contribution rates are set by law. Rates below include the appropriate retirement contribution rate, 1.11% HIS contribution rate, 0.03% administrative/educational fee, and any applicable UAL rates<sup>4</sup>.

<b>Teachers' Retirement System<sup>5</sup> (TRS)</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
IA – TRS Plan A	Individual Rates	Individual Rates	Individual Rates
IB – TRS Plan B	"	"	"
IC – TRS Plan C	"	"	"
ID – TRS Plan D	"	"	"
IE – TRS Plan E	6.25%	11.35%	17.60%
IF – TRS Plan E (plus Social Security)	6.25%	11.35%	17.60%

<b>State and County Officers and Employees' Retirement System<sup>5</sup> (SCOERS)</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
AA – Division A	6.00%	11.10%	17.10%
AB – Division A, High Hazard	8.50%	11.10%	19.60%
AD – Division B	4.00%	9.10%	13.10%
AE – Division B	4.00%	9.10%	13.10%
AF – Division B	4.00%	9.10%	13.10%
FK – Division A (plus Social Security)	6.00%	11.10%	17.10%

<b>EOC Members Who Chose to Join SMSC</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate</b>
HP/PP – Judges	3.00%	6.27%	9.27%
Legislators	3.00%	6.27%	9.27%
Gov./Lt. Gov. & Cabinet	3.00%	6.27%	9.27%
State Atty./Public Defender	3.00%	6.27%	9.27%
HQ/PQ – County, City, Sp. Dist. Elected Officers	3.00%	6.27%	9.27%

<b>Deferred Retirement Option Program (DROP)</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate</b>	<b>Total Contribution Rate<sup>6</sup></b>
DP – DROP from FRS	N/A	4.42%	4.42%
DR – DROP from Plan A, SCOERS	N/A	4.42%	4.42%
DS – DROP from Plan B, SCOERS	N/A	4.42%	4.42%
DT – DROP from TRS, all plans	N/A	4.42%	4.42%
DE, DF, DG, DH – DROP terminated in EOC	N/A	1.11% <sup>6</sup>	1.11% <sup>7</sup>

<sup>4</sup> See the rate chart on page 4 for a complete breakdown of the UAL rates by membership class.

<sup>5</sup> Member contribution rates did not change in FY 2011/12 for TRS or SCOERS.

<sup>6</sup> The DROP rate includes the 1.11% HIS rate but the 0.03% administrative/educational fee does not apply to DROP participants and the UAL contribution rate is not being paid on the salaries of DROP participants for FY 2011/12.

<sup>7</sup> Only the HIS and UAL rate are owed on the salaries of these elected officials. The UAL contribution rate is not being paid on the salaries of DROP participants for FY 2011/12.

## CONTRIBUTION RATES EFFECTIVE JULY 1, 2011

Rates for optional programs listed below include an amount provided to program participants in lieu of the health insurance subsidy and may include an administrative charge, as indicated. The 0.03 % administrative/educational fee does not apply to participants of these plans.

Optional Programs	Employee Contribution Rate	Employer Contribution Rate	Admin. Cost	UAL	Total Contribution Rate
HO – Local Annuity Programs	---- <sup>8</sup>	8	---- <sup>8</sup>	0.00	0.00
OP – SUS Optional Retirement Program	3.00%	7.42%	0.01%	0.49%	10.92%
OM – SMS Optional Annuity Program	3.00%	9.49%	N/A	0.32%	12.81%
OC – State Comm. College System Optional Retirement Program	3.00%	7.43%	---- <sup>9</sup>	0.49%	10.92%

EOC Members Opting out of the SMSC into the SMSOAP or Local Annuity	Employee Contribution Rate	Employer Contribution Rate	Admin. Cost	UAL	Total Contribution Rate
OM – Judges	3.00%	9.49%	N/A	0.32%	12.81%
Legislators	3.00%	9.49%	N/A	0.32%	12.81%
Gov./Lt. Gov. & Cabinet	3.00%	9.49%	N/A	0.32%	12.81%
State Atty./Public Defender	3.00%	9.49%	N/A	0.32%	12.81%
HO – County, City, Sp. Dist. Elected Officers	---- <sup>8</sup>	---- <sup>8</sup>	---- <sup>8</sup>	0.00%	0.00%

Renewed Membership Optional Programs	Employee Contribution Rate	Employer Contribution Rate	Admin. Cost	UAL	Total Contribution Rate
OR – State Senior Managers	3.00%	9.49%	N/A	0.32%	12.81%
OZ – Local Senior Managers	---- <sup>8</sup>	---- <sup>8</sup>	---- <sup>8</sup>	0.00%	0.00% <sup>8</sup>
OS – SUS Optional Retirement Program	3.00%	7.42%	0.01%	0.49%	10.92%
OD – State Comm. College System	3.00%	7.43%	---- <sup>9</sup>	0.49%	10.92%

Renewed EOC Members Opting out of the SMSC into the SMSOAP or a Local Annuity	Employee Contribution Rate	Employer Contribution Rate	Admin. Cost	UAL	Total Contribution Rate
OR – Judges	3.00%	9.49%	N/A	0.32%	12.81%
Legislators	3.00%	9.49%	N/A	0.32%	12.81%
Gov./Lt. Gov. & Cabinet	3.00%	9.49%	N/A	0.32%	12.81%
State Atty./Public Defender	3.00%	9.49%	N/A	0.32%	12.81%
OQ – County, City, Sp. Dist. Elected Officers	---- <sup>8</sup>	---- <sup>8</sup>	---- <sup>8</sup>	0.00%	0.00% <sup>8</sup>

<sup>8</sup> This contribution rate is established by local authority [see s. 121.055 (1)(b)2., F.S.].

<sup>9</sup> Community colleges choosing to charge an administrative fee must reduce the employer contribution by the amount of the fee.

**RATES LISTED BELOW INCLUDE THE 1.11% HIS contribution rate AND ANY APPLICABLE UAL RATES<sup>10</sup>.**

<b>Retirees Initially Reemployed on or after July 1, 2010, who are not eligible for retirement coverage</b> (Rates below apply to salaries of retirees based on the membership class that the position is covered by even though the individual is not eligible to participate in a state-administered retirement plan.)	<b>Total Employer Contribution</b>
UA – Regular	1.60%
UB – Special Risk	3.86%
UC – Judges	1.88%
UE – Legislators	1.99%

<b>Retirees Initially Reemployed on or after July 1, 2010, who are not eligible for retirement coverage</b> (Rates below apply to salaries of retirees based on the membership class that the position is covered by even though the individual is not eligible to participate in a state-administered retirement plan.)	<b>Total Employer Contribution</b>
UG – Gov./Lt. Gov. & Cabinet	1.99%
UH – State Atty./Public Defender	1.99%
UI – County, City, Sp. Dist. Elected Officers	1.84%
UM – Senior Management (SMSC)	1.43%

<b>FRS Membership Class</b> (Rates below apply to Florida Retirement System members who are in the FRS Pension Plan, the FRS Investment Plan, or the non-integrated defined contribution plans) for FY 2011/12 year.	<b>UAL</b>
Regular	0.49%
Special Risk	2.75%
Judges	0.77%
Legislators	0.88%
Gov./Lt. Gov. & Cabinet	0.88%
State Atty./Public Defender	0.88%
County, City, Sp. Dist. Elected Officers	0.73%
Special Risk Adm. Support	0.83%
Senior Management (SMSC)	0.32%
DROP	0.00%

## DATES CONTRIBUTIONS AND REPORTS ARE DUE\*

Report Month	Date Due	Report Month	Date Due
June 2011	July 8	January 2012	February 7
July 2011	August 5	February 2012	March 7
August 2011	September 8	March 2012	April 6
September 2011	October 7	April 2012	May 7
October 2011	November 7	May 2012	June 7
November 2011	December 7	June 2012	July 9
December 2011	January 9		

\* Contribution payments made using the Department of Revenue's Electronic Tax Payment System must be initiated no later than 5 p.m., E.S.T., on the 4<sup>th</sup> business day of each month for us to receive them by the 5<sup>th</sup> business day of each month.

<sup>10</sup> See the rate chart on this page for a complete breakdown of the UAL rates by membership class